



**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS
AUDIT EXAMINATION OF THE
BOURBON COUNTY FISCAL COURT**

Fiscal Year Ended June 30, 1999

**EDWARD B. HATCHETT, JR.
AUDITOR OF PUBLIC ACCOUNTS
WWW.KYAUDITOR.NET**

**144 CAPITOL ANNEX
FRANKFORT, KY 40601
TELE. (502) 564-5841
FAX (502) 564-2912**

CONTENTS

PAGE

INDEPENDENT AUDITOR’S REPORT	1
BOURBON COUNTY OFFICIALS.....	3
STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES ARISING FROM CASH TRANSACTIONS.....	7
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES IN CASH BALANCES.....	10
NOTES TO FINANCIAL STATEMENTS	12
COMPARATIVE SCHEDULE OF BUDGETED TO ACTUAL OPERATING REVENUE.....	19
SCHEDULE OF OPERATING REVENUE	22
COMPARATIVE SCHEDULE OF FINAL BUDGET AND BUDGETED EXPENDITURES	33
REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS	51
REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133	55
FINDINGS AND QUESTIONED COSTS.....	59
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	63
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	64
APPENDIX A:	54
CERTIFICATION OF COMPLIANCE–LOCAL GOVERNMENT ECONOMIC ASSISTANCE AND DEVELOPMENT PROGRAMS	



Edward B. Hatchett, Jr.
Auditor of Public Accounts

To the People of Kentucky
Honorable Paul E. Patton, Governor
John P. McCarty, Secretary
Finance and Administration Cabinet
Mike Haydon, Secretary, Revenue Cabinet
Honorable Donnie R. Foley, County Judge/Executive
Members of the Bourbon County Fiscal Court

Independent Auditor's Report

We have audited the accompanying statement of assets, liabilities, and fund balances arising from cash transactions of Bourbon County, Kentucky, as of June 30, 1999, and the related statement of cash receipts, cash disbursements, and changes in cash balances for the year then ended. These financial statements are the responsibility of the Bourbon County Fiscal Court. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, and the Audit Guide for Fiscal Court Audits issued by the Auditor of Public Accounts, Commonwealth of Kentucky. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Bourbon County, Kentucky prepares its financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and laws of Kentucky. Consequently, certain revenues and the related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when a liability is incurred. The cash basis accounting system does not require an entity to maintain a general fixed asset group or a general long-term debt group of accounts. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and fund balances arising from cash transactions of Bourbon County, Kentucky, and the related statement of cash receipts, cash disbursements, and changes in cash balances as of and for the year ended June 30, 1999, in conformity with the cash basis of accounting described above.

To the People of Kentucky
Honorable Paul E. Patton, Governor
John P. McCarty, Secretary
Finance and Administration Cabinet
Mike Haydon, Secretary, Revenue Cabinet
Honorable Donnie R. Foley, County Judge/Executive
Members of the Bourbon County Fiscal Court

Our audit was performed for the purpose of forming an opinion on the financial statements of Bourbon County, Kentucky, taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, and is not a required part of the financial statements. The information provided on the accompanying schedules is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the financial statements taken as a whole.

Based on the results of our audit, we present the accompanying findings and questioned costs, included herein, which discusses the following area of noncompliance:

- The County Should Have A Written Agreement To Protect Deposits

In accordance with Government Auditing Standards, we have also issued our report dated November 29, 1999 on our consideration of Bourbon County, Kentucky's compliance with certain provisions of laws, regulations, contracts, and grants, and internal control over financial reporting.

Respectfully submitted,



Edward B. Hatchett, Jr.
Auditor of Public Accounts

Audit fieldwork completed -
November 29, 1999

BOURBON COUNTY OFFICIALS

Fiscal Year Ended June 30, 1999

Donnie R. Foley	County Judge/Executive
John J. Brady	County Attorney
Richard S. Eads	County Clerk
Jacqueline Patrick Cox	Circuit Court Clerk
John A. Ransdell	Sheriff
Mike Fryman	Jailer
Raymond VanHook	Property Valuation Administrator
Mary Allen Hedges	County Treasurer
Rosemary Kitchen	Coroner
Jim Alexander	Magistrate
Marion Dawson	Magistrate
Barry Hay	Magistrate
Don McCarty	Magistrate
Steve Roy	Magistrate
John Smoot	Magistrate
Helen Williams	Magistrate

STATEMENT OF ASSETS, LIABILITIES,
AND FUND BALANCES ARISING FROM CASH TRANSACTIONS

BOURBON COUNTY
STATEMENT OF ASSETS, LIABILITIES,
AND FUND BALANCES ARISING FROM CASH TRANSACTIONS

June 30, 1999

Assets and Other Resources

Assets

General Fund:	
Cash	\$ 795,274
Road and Bridge Fund:	
Cash	336,856
Jail Fund:	
Cash	604,778
Jail Commissary Fund:	
Cash	3,656
Local Government Economic Assistance Fund:	
Cash	86,439
Public Properties Corporation Fund:	
Cash	15
Payroll Account - Cash	7,206
Fringe Benefit Account - Cash	<u>18,584</u>
 Total Assets	 \$ 1,852,808

Other Resources

Jail Fund:	
Amounts to be Provided in Future Years for Jail Capital	
Lease Obligations - Bond Principal Payments	1,815,000
Public Properties Corporation Fund:	
Amounts to be Provided in Future Years for Bond Payments	649,985
Amounts to be Provided in Future for Building Purchase	<u>124,201</u>
 Total Assets and Other Resources	 <u>\$ 4,441,994</u>

The accompanying notes are an integral part of the financial statements.

BOURBON COUNTY
 STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES
 ARISING FROM CASH TRANSACTIONS
 June 30, 1999
 (Continued)

Liabilities and Fund Balances

Liabilities

Jail Fund:

Capital Lease Obligation - Bond Principal Payments (Note 4C)	\$ 1,815,000
--------------------------------------------------------------	--------------

Public Properties Corporation Fund:

Bond Principal Not Matured (Note 4A)	650,000
--------------------------------------	---------

Building Purchase Principal (Note 4B)	124,201
---------------------------------------	---------

Payroll Account	7,206
-----------------	-------

Fringe Benefit Account	18,584
------------------------	--------

Fund Balances

Reserved:

Jail Commissary Fund	3,656
----------------------	-------

Unreserved:

General Fund	795,274
--------------	---------

Road Fund	336,856
-----------	---------

Jail Fund	604,778
-----------	---------

Local Government Economic Assistance Fund	86,439
-------------------------------------------	--------

Total Liabilities and Fund Balances	<u>\$ 4,441,994</u>
-------------------------------------	---------------------

STATEMENT OF CASH RECEIPTS,
CASH DISBURSEMENTS, AND CHANGES IN CASH BALANCES

BOURBON COUNTY
STATEMENT OF CASH RECEIPTS,
CASH DISBURSEMENTS, AND CHANGES IN CASH BALANCES

Fiscal Year Ended June 30, 1999

<u>Cash Receipts</u>	<u>Totals (Memorandum Only)</u>	<u>General Fund</u>	<u>Road and Bridge Fund</u>	<u>Jail Fund</u>
Schedule of Operating Revenue	\$ 5,588,886	\$ 3,069,823	\$ 1,026,077	\$ 727,283
Transfers In	440,058			349,016
Kentucky Advance Revenue Program	1,052,325	1,027,080	25,245	
Jail Commissary Fund Receipts	57,627			
Total Cash Receipts	<u>\$ 7,138,896</u>	<u>\$ 4,096,903</u>	<u>\$ 1,051,322</u>	<u>\$ 1,076,299</u>
Cash Disbursements				
Comparative Schedule of Final Budget and Budgeted Expenditures	\$ 5,594,521	\$ 2,749,306	\$ 1,272,673	\$ 893,970
Transfers Out	440,058	440,058		
Jail Capital Lease Principal	85,000			85,000
Bonds:				
Principal Paid	95,000			
Interest Paid	36,520			
Kentucky Advance Revenue Program Repaid	1,052,325	1,027,080	25,245	
Jail Commissary Fund Expenditures	64,971			
Total Cash Disbursements	<u>\$ 7,368,395</u>	<u>\$ 4,216,444</u>	<u>\$ 1,297,918</u>	<u>\$ 978,970</u>
Excess (Deficiency) of Cash Receipts Over (Under) Cash Disbursements	<u>\$ (229,499)</u>	<u>\$ (119,541)</u>	<u>\$ (246,596)</u>	<u>\$ 97,329</u>
*Cash Balance-July 1, 1998	<u>2,056,517</u>	<u>914,815</u>	<u>583,452</u>	<u>507,449</u>
*Cash Balance-June 30, 1999	<u>\$ 1,827,018</u>	<u>\$ 795,274</u>	<u>\$ 336,856</u>	<u>\$ 604,778</u>

* Cash Balance Includes Investments

The accompanying notes are an integral part of the financial statements.

BOURBON COUNTY
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN CASH BALANCES
Fiscal Year Ended June 30, 1999
(Continued)

Jail Commissary Fund	Local Government Economic Assistance Fund	Public Properties Corporation Fund	Federal Grant Fund
\$	\$ 92,245	\$ 40,297 91,042	\$ 633,161
57,627			
\$ 57,627	\$ 92,245	\$ 131,339	\$ 633,161
\$	\$ 45,411	\$	\$ 633,161
		95,000 36,520	
64,971			
\$ 64,971	\$ 45,411	\$ 131,520	\$ 633,161
\$ (7,344)	\$ 46,834	\$ (181)	\$ 0
11,000	39,605	196	
\$ 3,656	\$ 86,439	\$ 15	\$ 0

BOURBON COUNTY
NOTES TO FINANCIAL STATEMENTS

June 30, 1999

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The financial statements of Bourbon County include the funds, agencies, boards, and entities for which the fiscal court is financially accountable. Financial accountability, as defined by Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, as amended by GASB 14, was determined on the basis of the government's ability to significantly influence operations, select the governing authority, participate in fiscal management and the scope of public service. Based upon the criteria stated in GASB 14, management has included the Jail Commissary Fund and the Bourbon County Public Properties Corporation Fund as part of the reporting entity.

B. Fund Accounting

Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. The government uses funds to report on its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts.

C. Basis of Accounting

The financial statements were prepared on a cash basis of accounting pursuant to Kentucky Revised Statute (KRS) 68.210 as recommended by the State Local Finance Officer. Consequently, certain revenues and related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when a liability is incurred. The cash basis accounting system does not require an entity to maintain a general fixed asset group or a general long-term debt group of accounts.

D. Legal Compliance - Budget

The Bourbon County budget is adopted on a cash basis of accounting and laws of Kentucky as required by the State Local Finance Officer. The County Judge/Executive is required to submit estimated receipts and proposed expenditures to the fiscal court by May 1 of each year. The budget is prepared by fund, function, and activity and is required to be adopted by the fiscal court by July 1, 2000.

The fiscal court may change the original budget by transferring appropriations at the activity level; however, the fiscal court may not increase the total budget without approval by the State Local Finance Officer. Expenditures may not exceed budgeted appropriations at the activity level.

BOURBON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 1999
(Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

E. Cash and Investments

Cash includes amounts in bank accounts, and investments are stated at cost. Investments may include certificates of deposit on the financial statements; KRS 66.480 authorizes the county to invest in the following, including but not limited to, obligations of the United States and of its agencies and instrumentalities, obligations and contracts for future delivery or purchase of obligations backed by the full faith and credit of the United States, obligations of any corporation of the United States government, bonds or certificates of indebtedness of this state, and certificates of deposit issued by or other interest-bearing accounts of any bank or savings and loan institution which are insured by the Federal Deposit Insurance Corporation (FDIC) or which are collateralized, to the extent uninsured, by any obligation permitted by KRS 41.240(4).

Note 2. Employee Retirement System

The county has elected to participate in the County Employees Retirement System (CERS), pursuant to KRS 78.530 administered by the Board of Trustees of the Kentucky Retirement Systems. This is a multiple-employer public retirement system which covers all eligible full-time employees. Benefit contributions and provisions are established by statute. Nonhazardous covered employees are required to contribute 5 percent of their salary to the plan. The county's contribution rate for nonhazardous employees was 8.22 percent. Hazardous covered employees are required to contribute 8 percent of their salary to the plan. The county's contribution rate for hazardous employees was 18.85 percent.

Benefits fully vest on reaching five years of service for nonhazardous employees. Aspects of benefits for nonhazardous employees include retirement after 27 years of service or age 65. Aspects of benefits for hazardous employees include retirement after 20 years of service or age 55.

Historical trend information showing the CERS' progress in accumulating sufficient assets to pay benefits when due is present in the Kentucky Retirement Systems' annual financial report.

Note 3. Deposits

The county maintained deposits of public funds with depository institutions insured by the Federal Deposit Insurance Corporation (FDIC). According to KRS 66.480 (1)(d) and KRS 41.240(4), the depository institution should pledge or provide sufficient collateral which, together with FDIC insurance, equals or exceeds the amount of public funds on deposit at all times. In order to be valid against the FDIC in the event of failure or insolvency of the depository institution, this pledge or provision of collateral should be evidenced by an agreement between the county and the depository institution, signed by both parties, that is (a) in writing, (b) approved by the board of directors of the depository institution or its loan committee, which approval must be reflected in the minutes of the board or committee, and (c) an official record of the depository institution. The depository institution has pledged or provided sufficient collateral, and the depository institution's board of directors or loan committee approved the pledge or provision. However, the depository institution did not have a written agreement with the county securing the Sheriff's interest in the collateral.

BOURBON COUNTY
 NOTES TO FINANCIAL STATEMENTS
 June 30, 1999
 (Continued)

Note 4. Long-Term Debt

A. Bonds outstanding of the Public Properties Corporation Fund are:

First Mortgage Revenue Bonds in the amount of \$745,000 were issued by the Bourbon County Public Properties Corporation on May 1, 1995, with interest rates of 4.30% through 5.10% payable semiannually. The total issue of the bonds is \$1,000,000 with principal paid annually on February 1. The bonds will be fully amortized on February 1, 2005.

<u>Due Date</u>	<u>Scheduled Interest</u>	<u>Scheduled Principal</u>
February 1, 2000	4.7%	\$ 95,000
February 1, 2001	4.8%	100,000
February 1, 2002	4.9%	105,000
February 1, 2003	5.0%	110,000
February 1, 2004	5.1%	115,000
February 1, 2005	5.1%	<u>125,000</u>
Totals		<u>\$ 650,000</u>

B. Note outstanding of the Public Properties Corporation Fund:

The Bourbon County Public Properties Corporation entered into a promissory term-note agreement with Community Ventures Corporation for the purchase and renovation of a manufacturing facility. The Public Properties Corporation is obligated to pay \$131,550 in principal payments over seven years beginning October 5, 1997. The total balance of the note was \$124,201 as of June 30, 1999. Obligations due in fiscal year ending June 30, 2000 are:

Principal	\$ 4,197
Interest	\$ 6,221

The property was subsequently leased to Accutran, Incorporated. The lease agreement requires monthly payments of \$868. Accutran, Incorporated is in substantial compliance with the terms of the lease agreement.

BOURBON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 1999
(Continued)

C. Lease

The Bourbon County Fiscal Court entered into the following lease-purchase agreement with GMB Financial Group, Inc., for the purpose of construction of jail facilities. The fiscal court is obligated to pay \$2,300,000 in principal payments over twenty years beginning July 1, 1992. The total balance of the agreement is \$1,815,000 as of June 30, 1999.

Liabilities of the Fund are:

Date Due	Period Total	Interest Component	Principal Component
07/01/1999	\$	\$ 61,794	\$ 61,794
01/01/2000	90,000	61,794	151,794
07/01/2000		58,509	58,509
01/01/2001	95,000	58,509	153,509
07/01/2001		55,041	55,041
01/01/2002	105,000	55,041	160,041
07/01/2002		51,209	51,209
01/01/2003	110,000	51,209	161,209
07/01/2003		47,194	47,194
01/01/2004	120,000	47,194	167,194
07/01/2004		43,294	43,294
01/01/2005	130,000	43,294	173,294
07/01/2005		39,067	39,067
01/01/2006	135,000	39,068	174,068
07/01/2006		34,681	34,681
01/01/2007	145,000	34,681	179,681
07/01/2007		26,969	26,969
01/01/2008	155,000	26,969	181,969
07/01/2008		24,738	24,738
01/01/2009	165,000	24,738	189,738
07/01/2009		19,169	19,169
01/01/2010	175,000	19,169	194,169
07/01/2010		13,263	13,263
01/01/2011	190,000	13,263	206,263
07/01/2011		6,850	6,850
01/01/2012	200,000	6,850	206,850
Totals	<u>1,815,000</u>	<u>963,557</u>	<u>\$ 2,781,557</u>

BOURBON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 1999
(Continued)

Note 5. Voting Machine Lease

Bourbon County entered into a lease agreement with the Kentucky Association of Counties Leasing Trust for the purchase of Shrouptronic Model 1242 Electric Voting Machines. The agreement requires various payments each year with the final payment due January 20, 2002. The total balance of the agreement is \$22,000 as of June 30, 1999. Obligations due in fiscal year ended June 30, 2000 are:

Principal	\$ 7,000
Interest	\$ 1,107

Note 6. Joint Operation of Ambulance Service

The city and the county jointly fund the Paris-Bourbon County Ambulance Service. Officials from both governments serve on the Board. The county's financial statements included the city's contribution and flow-through money from the state as receipts and disbursements include these funds being disbursed to the Ambulance Service as well as the county's contribution. The Ambulance Service periodically has an audit of its financial operations conducted by an independent certified public accountant.

COMPARATIVE SCHEDULE OF
BUDGETED TO ACTUAL OPERATING REVENUE

BOURBON COUNTY
COMPARATIVE SCHEDULE OF
BUDGETED TO ACTUAL OPERATING REVENUE

Fiscal Year Ended June 30, 1999

<u>Budgeted Funds</u>	Budgeted Operating Revenue	Actual Operating Revenue	Over (Under) Budget
General Fund	\$ 2,260,579	\$ 3,069,823	\$ 809,244
Road and Bridge Fund	927,049	1,026,077	99,028
Jail Fund	1,048,585	727,283	(321,302)
Local Government Economic Assistance Fund	68,717	92,245	23,528
Federal Grant Fund	<u>1,815,445</u>	<u>633,161</u>	<u>(1,182,284)</u>
Totals	<u>\$ 6,120,375</u>	<u>\$ 5,548,589</u>	<u>\$ (571,786)</u>

Reconciliation

Total Budgeted Operating Revenue Above	\$ 6,120,375
Add: Budgeted Prior Year Surplus	<u>2,145,807</u>
Total Operating Budget Per Comparative Schedule Of Final Budget and Budgeted Expenditures	<u>\$ 8,266,182</u>

THIS PAGE LEFT BLANK INTENTIONALLY

SCHEDULE OF OPERATING REVENUE

BOURBON COUNTY
SCHEDULE OF OPERATING REVENUE

Fiscal Year Ended June 30, 1999

	Totals (Memorandum Only)	General Fund	Road and Bridge Fund	Jail Fund
<hr/>				
Revenue From Local Taxes <u>and Excess Fees</u>				
Sheriff:				
Taxes	\$ 712,326	\$ 712,326	\$	\$
Excess Fees-1997	1,813	1,813		
Excess Fees-1998	2,058	2,058		
County Clerk:				
Deed Transfer Tax	61,786	61,786		
Occupational Licenses	770	770		
Delinquent Taxes	6,715	6,715		
Tangible Personal Property Taxes	145,594	145,594		
Occupational Employment Tax	1,360,993	1,360,993		
Building Permits	20,399	20,399		
Alcoholic Beverage License	9,218	9,218		
In Lieu of Taxes:				
Cable TV Franchise	6,844	6,844		
Other Franchise	14,290	14,290		
	<hr/>	<hr/>	<hr/>	<hr/>
Totals	\$ 2,342,806	\$ 2,342,806	\$ 0	\$ 0
	<hr/>	<hr/>	<hr/>	<hr/>
<u>U.S. Treasurer</u>				
Housing and Urban Development Disaster Recovery Initiative Funds	\$ 461,000	\$	\$	\$
	<hr/>	<hr/>	<hr/>	<hr/>
Totals	\$ 461,000	\$ 0	\$ 0	\$ 0
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Federal Receipts-State Treasurer</u>				
Disaster and Emergency Assistance Grants-Coordinator Salary	\$ 6,536	\$ 6,536	\$	\$
Disaster and Emergency Assistance Grant-1997 Flood Relief	172,161			

BOURBON COUNTY
SCHEDULE OF OPERATING REVENUE
Fiscal Year Ended June 30, 1999
(Continued)

Local		
Government	Public	
Economic	Properties	Federal
Assistance	Corporation	Grant
Fund	Fund	Fund

\$	\$	\$
----	----	----

\$ 0	\$ 0	\$ 0
------	------	------

\$	\$	\$
----	----	----

		461,000
\$ 0	\$ 0	\$ 461,000

\$	\$	\$
----	----	----

172,161

BOURBON COUNTY
SCHEDULE OF OPERATING REVENUE
Fiscal Year Ended June 30, 1999
(Continued)

	Totals (Memorandum Only)	General Fund	Road and Bridge Fund	Jail Fund
<u>Federal Receipts-State Treasurer</u> (Continued)				
Federal Disaster and Emergency Services/Emergency Management				
Agency Reimbursement	\$ 6,961	\$ 6,961	\$	\$
Violence Against Women Award Grant	34,141	34,141		
Totals	\$ 219,799	\$ 47,638	\$ 0	\$ 0
<u>Kentucky State Treasurer</u>				
Jail:				
Allotments	\$ 129,039	\$	\$	\$ 129,039
Medical Allotments	7,465			7,465
Catastrophic Medical	1,217			1,217
Driving Under The Influence Fees	4,356			4,356
Housing State Prisoners	138,755			138,755
Court Costs, Jail Operation	13,115			13,115
Jail Contract with Other Counties	211,043			211,043
Juvenile Recouping	12,900			12,900
County Road Aid	520,297		520,297	
County Road Aid-Emergency Pool	50,000		50,000	
Resurfacing Reimbursement	59,279		59,279	
Public Defender Allotment	4,954	4,954		
Truck License Distribution	161,449		161,449	
Election Expense Reimbursement	8,160	8,160		
Firefighter Incentive	27,271	27,271		
Courthouse Rental-Administrative				
Office of the Courts	49,149	49,149		
Refunds:				
Drivers Licenses	1,941		1,941	
Dog Licenses	233	233		
Severance Taxes:				
Coal	36,243			
Mineral	53,791			

BOURBON COUNTY
 SCHEDULE OF OPERATING REVENUE
 Fiscal Year Ended June 30, 1999
 (Continued)

Local		
Government	Public	
Economic	Properties	Federal
Assistance	Corporation	Grant
Fund	Fund	Fund

\$

\$

\$

\$

0

\$

0

\$

172,161

\$

\$

\$

36,243

53,791

BOURBON COUNTY
SCHEDULE OF OPERATING REVENUE
Fiscal Year Ended June 30, 1999
(Continued)

	Totals (Memorandum Only)	General Fund	Road and Bridge Fund	Jail Fund
<u>Kentucky State Treasurer</u> (Continued)				
Grants:				
Bridge Replacement	\$ 192,000	\$	\$ 192,000	\$
Disaster and Emergency Services Reimbursement	323,500	323,500		
Disaster and Emergency Assistance Grant- Coordinator Salary	4,348	4,348		
Jail Construction Grant	115,000			115,000
Totals	\$ 2,125,505	\$ 417,615	\$ 984,966	\$ 632,890
<u>Miscellaneous Revenue</u>				
Interest	\$ 132,791	\$ 59,557	\$ 29,307	\$ 41,659
Lease Payments	10,418	10,418		
Payment From Administrative Office of the Courts	40,240			
Circuit Court Clerk:				
Work Release	12,845			12,845
Jailer Bond Acceptance Fee	2,657			2,657
Service Fee	5,964			5,964
Jail:				
Telephone Commission Refunds	18,518			18,518
Community Development Block Grant Loan Repayments- Reimbursements	11,227			11,227
Court Ordered Restitutions	100			100
Recovered Stolen Monies	343			343
Contributions:				
Volunteer Firefighters	6,500	6,500		
Charges for Services:				
Planning and Zoning Fees	11,651	11,651		
Park Concessions	1,258	1,258		
Courthouse Concessions	5,525	5,525		
Parks and Recreation	7,347	7,347		
Recycling	2,878	2,878		

BOURBON COUNTY
 SCHEDULE OF OPERATING REVENUE
 Fiscal Year Ended June 30, 1999
 (Continued)

Local Government Economic Assistance Fund	Public Properties Corporation Fund	Federal Grant Fund
<hr/>	<hr/>	<hr/>

\$	\$	\$
----	----	----

<hr/>	<hr/>	<hr/>
\$ 90,034	\$ 0	\$ 0
<hr/>	<hr/>	<hr/>

\$ 2,211	\$ 57	\$
----------	-------	----

40,240

BOURBON COUNTY
 SCHEDULE OF OPERATING REVENUE
 Fiscal Year Ended June 30, 1999
 (Continued)

	Totals (Memorandum Only)	General Fund	Road and Bridge Fund	Jail Fund
Recycling	2,878	2,878		
<u>Miscellaneous Revenue</u>				
(Continued)				
Reimbursements:				
County Attorney	\$ 135,936	\$ 135,936	\$	\$
Insurance	716	716		
Fire Pension	5,141	5,141		
Advertising Cost Reimbursement	2,520	2,520		
City Disaster and Emergency	6,761	6,761		
Gasoline Sales	466		466	
Miscellaneous Items	17,974	5,556	11,338	1,080
Totals	\$ 439,776	\$ 261,764	\$ 41,111	\$ 94,393
Total Operating Revenue	<u>\$ 5,588,886</u>	<u>\$ 3,069,823</u>	<u>\$ 1,026,077</u>	<u>\$ 727,283</u>

BOURBON COUNTY
SCHEDULE OF OPERATING REVENUE
 Fiscal Year Ended June 30, 1999
 (Continued)

Local Government Economic Assistance Fund	Public Properties Corporation Fund	Federal Grant Fund
\$	\$	\$
\$ 2,211	\$ 40,297	\$ 0
\$ 92,245	\$ 40,297	\$ 633,161

THIS PAGE LEFT BLANK INTENTIONALLY

COMPARATIVE SCHEDULE OF
FINAL BUDGET AND BUDGETED EXPENDITURES

BOURBON COUNTY
COMPARATIVE SCHEDULE OF
FINAL BUDGET AND BUDGETED EXPENDITURES

Fiscal Year Ended June 30, 1999

	<u>Final</u> <u>Budget</u>	<u>Budgeted</u> <u>Expenditures</u>	<u>Under</u> <u>(Over)</u> <u>Budget</u>
<u>GENERAL FUND</u>			
<u>General Government</u>			
Office of County Judge/Executive:			
Salaries-			
County Judge/Executive	\$ 41,742	\$ 39,652	\$ 2,090
Finance Officer	14,720	14,717	3
Office Staff	8,682	7,135	1,547
Receptionist	15,236	15,236	
Office Supplies	4,248	4,248	
Bond	619	619	
Legal Notices	2,263	1,162	1,101
Dues	1,000	990	10
Postage	744	637	107
Conference and Training	1,497	1,497	
Telephone	2,095	2,095	
Office Equipment	2,000	656	1,344
Office of County Attorney:			
Salaries-			
County Attorney	20,073	20,072	1
Assistant County Attorney	11,904	11,901	3
Secretary	8,928	8,575	353
Paralegal	14,706	14,706	
Contracted Services	10,000	481	9,519
Office Supplies	1,800	1,599	201
Postage	1,000	777	223
Telephone	2,500	1,793	707
Office Equipment	2,000	1,652	348
Office of County Clerk:			
Postage	5,300	5,300	
Tax Bill Preparation	4,149	4,149	
Office of Sheriff:			
Advertising Tax Bills	3,000	2,510	490
Tax Bill Book Binding	986	986	
Tax Bill Preparation	450		450

BOURBON COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1999
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>GENERAL FUND</u> (Continued)			
<u>General Government</u> (Continued)			
Office of Sheriff (Continued):			
Bond	\$ 2,120	\$ 2,120	\$
Postage	4,000	3,648	352
Vehicle Expenditures	2,059		2,059
Office of County Coroner:			
Salaries-			
County Coroner	10,180	9,180	1,000
Deputy Coroner	7,684	6,485	1,199
Autopsies and Attendant Service	3,642	2,250	1,392
Materials and Supplies	1,523	1,523	
Bond	244	244	
Fiscal Court:			
Magistrates Salaries	72,468	68,346	4,122
Memberships	750	748	2
Conference and Training	6,381	6,381	
Fiscal Court Clerk Salary	2,400	2,200	200
Office of Property Valuation Administrator:			
Telephone	1,200	311	889
Miscellaneous	800	547	253
Statutory Contribution	28,000	25,000	3,000
Office of Board of Assessment Appeals:			
Per Diem	2,600	1,300	1,300
Office of County Treasurer:			
County Treasurer Salary	20,753	20,751	2
Contracted Services	4,000	3,204	796
Software	295	295	
Maintenance and Repair Equipment	1,359	1,359	
Office Materials and Supplies	3,467	3,467	
Bond	629	629	
Postage	2,115	1,679	436

BOURBON COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1999
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>GENERAL FUND</u> (Continued)			
<u>General Government</u> (Continued)			
Office of County Treasurer (Continued):			
Conferences and Training	\$ 2,785	\$ 2,785	\$
Telephone	1,200	1,112	88
Office Equipment	7,281	6,752	529
Office of Tax Administration:			
Refunds	2,918	2,918	
County Law Library:			
Law Librarian Salary	600	600	
Books	700	635	65
Elections:			
Per Diem-			
Election Commissioners	5,348	2,200	3,148
Election Officers	9,652	9,652	
Advertising	2,500	1,075	1,425
Voting Machine Maintenance and Repair	500	266	234
Polling Place	1,050	400	650
Election Supplies	24,512	24,512	
Planning and Zoning:			
Salaries	24,000	24,000	
Board Secretary	3,000	1,850	1,150
Part-Time Secretary	14,105	14,036	69
Board and Commissioners	6,000	4,500	1,500
Consultants	650		650
Contracted Services	13,500	13,500	
Legal Fees	8,000	6,757	1,243
Office Supplies	4,500	2,494	2,006
Gasoline	750	283	467
Legal Notice	1,350	1,247	103
Comprehensive Plan Project	8,848	7,500	1,348
Membership Dues	200	160	40
Postage	1,000	867	133
Refunds	200		200

BOURBON COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1999
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>GENERAL FUND</u> (Continued)			
<u>General Government</u> (Continued)			
Planning and Zoning (Continued):			
Conference and Training	\$ 1,200	\$ 1,156	\$ 44
Telephone	600	512	88
Contracted Construction-Road	323,500	323,500	
Contract With Private Agency	25,000	12,500	12,500
Water and Sewer	160,000	130,772	29,228
Courthouse:			
Contracted Services	33,000	28,400	4,600
Engineering Services	24,010	24,010	
Lease Payments	6,962	6,962	
Custodial Supplies	5,714	5,714	
Concessions	6,000	5,476	524
Repairs	26,000	25,586	414
Telephone	3,446	2,818	628
Utilities	24,178	20,363	3,815
Annex Building:			
Architect Services	22,352	22,352	
Land	70,925	70,000	925
Building and Construction	4,075	4,075	
<u>Protection to Persons and Property</u>			
Constables Salaries	6,618	6,074	544
County Fire Department:			
Salaries-			
Regular	137,287	136,250	1,037
Overtime	84,302	83,886	416
Incentives	27,500	27,348	152
Uniforms	2,450	2,418	32
Contracted Services	12,258	5,760	6,498
Laundry	758	441	317
Custodial Supplies	1,200	825	375
Office Supplies	500	458	42

BOURBON COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1999
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>GENERAL FUND</u> (Continued)			
<u>General Government</u> (Continued)			
County Fire Department (Continued):			
Equipment	\$ 7,500	\$ 6,520	\$ 980
Materials and Supplies	1,000	60	940
Conferences and Training	647	176	471
Utilities	7,242	7,242	
Fire Prevention Education	1,295	1,294	1
Truck	24,742		24,742
Replacement Equipment	52,767	33,033	19,734
Building and Construction	30,000		30,000
Disaster and Emergency Services:			
Contribution	27,425	27,382	43
Ambulance Service:			
Contribution	137,000	137,000	
Incentive	13,500	12,875	625
Equipment	13,000		13,000
Forestry Fire Protection:			
Kentucky State Treasurer	150	128	22
Emergency-911:			
Contribution	100,000	100,000	
Office of Public Defender:			
Contribution	2,405	2,405	
<u>General Health and Sanitation</u>			
Dog Control:			
Salaries	15,550	15,548	2
Contracted Services	30,000	30,000	
Food and Supplies	73	73	
Gasoline	1,727	1,002	725
Automobile Repair	750	393	357
Conference and Training	200	172	28
Telephone	1,000	750	250

BOURBON COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1999
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>GENERAL FUND</u> (Continued)			
<u>General Health and Sanitation</u> (Continued)			
Solid Waste Collection:			
Coordinator Salary	\$ 12,500	\$ 11,650	\$ 850
Recycling Program Support	25,000	24,207	793
Soil and Water Conservation:			
Water Projects	168,761	168,761	
Other Health Programs:			
Contracted Livestock Removal	15,000	13,359	1,641
Ombudsman	245	245	
Private Agency Contract	3,200	3,200	
<u>Social Services</u>			
Service To Indigents:			
Legal Fees	2,100	300	1,800
Senior Citizens Program:			
Contribution	4,188	4,188	
Public Advocate Program:			
Legal Fees	35,000	35,000	
Services to Children and Youth:			
County Attorney Salary	23,985	23,985	
Assistant County Attorney Salary	36,000	36,000	
Office Manager	27,544	26,146	1,398
Secretary/Case Worker	14,849	14,108	741
Aid	11,733	9,483	2,250
Aid/Case Worker	3,004	2,637	367
Audit	2,500		2,500
Consultant/CPA	1,500		1,500
Contracted Services	19,200	4,500	14,700
Software	750	309	441
Maintenance and Repair	1,260	515	745
Office Supplies	2,750	1,897	853
Postage	1,200	416	784

BOURBON COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1999
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>GENERAL FUND</u> (Continued)			
<u>Social Services</u> (Continued)			
Services to Children and Youth (Continued):			
Conferences and Training	\$ 5,000	\$ 690	\$ 4,310
Telephone	3,500	1,058	2,442
Utilities	1,800	1,399	401
Contracts	3,500	477	3,023
Office Equipment	2,250	144	2,106
Cemeteries and Memorials:			
Pauper Burials	10,000	4,407	5,593
Domestic Violence Program:			
Victim Assistance	25,751	25,751	
Software	3,175		3,175
Office Supplies	3,525	3,525	
Conferences and Training	6,455	5,333	1,122
Telephone	1,200	1,200	
Office Equipment	100	86	14
<u>Recreation and Culture</u>			
Parks:			
Salaries	19,500	19,500	
Department Laborer	6,740	5,202	1,538
Maintenance and Grounds	15,525	15,518	7
Seasonal Maintenance and Grounds	6,000	6,000	
Private Agency Contract	510	419	91
Program Support	9,592	9,592	
Contracted Services	1,894	1,894	
Building Maintenance and Supplies	650	535	115
Custodial Supplies	1,500	1,421	79
Concessions	1,500	881	619
Gasoline	855	640	215
Vehicle Maintenance	1,600	1,248	352
Office Supplies	1,500	913	587
Supplies	951	805	146
County Fair	16,000	15,560	440
Telephone	1,500	1,090	410

BOURBON COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1999
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>GENERAL FUND</u> (Continued)			
<u>Recreation and Culture</u> (Continued)			
Parks (Continued):			
Utilities	\$ 17,908	\$ 16,791	\$ 1,117
Building Repair	13,050	5,466	7,584
Capital Outlay - Bathroom	6,400		6,400
Building and Construction	19,500	4,038	15,462
Other Recreation Programs:			
YMCA Contribution	7,000	7,000	
YWCA Contribution	750		750
<u>Debt Service</u>			
Kentucky Advance Revenue Program:			
Interest	22,470	22,470	
Other County Liabilities:			
Lease-Purchase Agreement-			
Voting Machines			
Principal	7,000	7,000	
Interest	1,762	1,501	261
Paris/Bourbon Economic Development			
Authority-			
Land Purchase			
Principal	54,601	54,601	
Interest	3,823	3,822	1
Other Debt Service	10,419	10,418	1
General Services:			
Audit Services	10,000	7,637	2,363
Audit Services-Fee Officials	15,000	6,319	8,681
Insurance	55,000	36,446	18,554
Prior Year Claim	8,352		8,352
Contingent Appropriations:			
Reserve for Transfers	63,735		63,735

BOURBON COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1999
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>GENERAL FUND</u> (Continued)			
<u>Debt Service</u> (Continued)			
General Memberships:			
Chamber of Commerce	\$ 2,000	\$ 2,000	\$
Area Development District	1,620	1,620	
KACO	900	900	
NACO	360	360	
Fringe Benefits:			
County Contributions-			
Social Security	57,447	55,762	1,685
Retirement	126,959	123,240	3,719
Health Insurance	113,328	77,878	35,450
Worker's Compensation	28,927	17,368	11,559
Unemployment Insurance	14,658	1,853	12,805
Total Operating Budget	\$ 3,210,579	\$ 2,749,306	\$ 461,273
Other Financing Uses:			
(a) Transfers to Public Properties			
Corporation Fund-			
Principal	95,000	91,042	3,958
(b) Kentucky Advance Revenue Program-			
Principal	1,027,080	1,027,080	
Total General Fund	\$ 4,332,659	\$ 3,867,428	\$ 465,231

ROAD AND BRIDGE FUND

General Government

Office of County Judge/Executive

Salaries-

County Judge/Executive	\$ 11,577	\$ 11,577	\$
Finance Officer	4,083	4,083	
Office Staff	2,606	2,606	
Receptionist	4,083	4,083	

BOURBON COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1999
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>ROAD AND BRIDGE FUND</u> (Continued)			
<u>General Government</u> (Continued)			
Fiscal Court:			
Magistrates Salaries	\$ 20,897	\$ 20,897	\$
Office of County Attorney:			
Salaries-			
County Attorney	5,567	5,567	
Assistant County Attorney	3,302	3,302	
Secretary	2,476	2,476	
Paralegal	4,079	4,079	
Office of County Treasurer:			
County Treasurer Salaries	5,756	5,756	
<u>Transportation Facilities and Services</u>			
Road Facilities:			
Telephone	2,800	2,656	144
Building Repair	10,000	7,805	2,195
Utilities	4,000	3,909	91
Insurance	14,000	11,701	2,299
<u>Roads</u>			
Office of Road Supervisor/Engineer:			
Road Supervisor Salary	27,000	25,546	1,454
Road Maintenance:			
Salaries-			
Regular	189,783	188,491	1,292
Overtime	12,000	4,988	7,012
Uniforms	1,500	1,215	285
Contracted Services	26,612	26,612	
Laundry	500	269	231
Asphalt	30,000	13,468	16,532
Crushed Stone and Gravel	30,000	29,440	560

BOURBON COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1999
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>ROAD AND BRIDGE FUND</u> (Continued)			
<u>Roads</u> (Continued)			
Road Maintenance (Continued):			
Construction Material	\$ 18,991	\$ 3,632	\$ 15,359
Vehicle Maintenance	35,000	33,561	1,439
Road Materials	3,969	3,858	111
Gasoline	22,000	20,647	1,353
Pipe	7,500	6,849	651
Signs	2,500	1,806	694
Salt	16,000	13,665	2,335
Structural Steel	11,855	11,855	
Miscellaneous Supplies	1,031	1,031	
Highway Equipment	10,000		10,000
Motor Vehicle	40,000		40,000
Bridge Construction	377,066	377,066	
<u>Debt Service</u>			
Kentucky Advanced Revenue Program:			
Interest	552	552	
<u>Capital Projects</u>			
Streets and Highways:			
Road Resurfacing	359,279	337,920	21,359
<u>Administration</u>			
Contingent Appropriations:			
Reserve for Budget Transfers	180,685		180,685
Fringe Benefits:			
County Contributions-			
Retirement	24,667	23,740	927
Social Security	22,078	20,531	1,547
Health Insurance	28,067	25,648	2,419
Worker's Compensation	20,816	9,352	11,464

BOURBON COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1999
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>ROAD AND BRIDGE FUND</u> (Continued)			
<u>Administration</u> (Continued)			
Fringe Benefits (Continued):			
Unemployment Insurance	\$ 2,372	\$ 434	\$ 1,938
Total Operating Budget	\$ 1,597,049	\$ 1,272,673	\$ 324,376
Other Financing Uses:			
(b) Kentucky Advance Revenue Program-			
Principal	25,245	25,245	
Total Road and Bridge Fund	\$ 1,622,294	\$ 1,297,918	\$ 324,376

JAIL FUND

Protection to Persons and Property

Office of Jailer:			
Personnel Services-			
Salaries-			
Jailer	\$ 53,318	\$ 53,292	\$ 26
Jail Personnel	287,580	260,530	27,050
Part-Time Pay	16,200	12,564	3,636
Overtime Pay	14,000	13,906	94
Operations-			
Cleaning Supplies	12,636	12,636	
Utilities	38,150	38,114	36
Food Preparation and Serving	2,668	2,388	280
Food	77,169	77,169	
Gasoline	600	597	3
Office Supplies	3,100	2,862	238
Bond	458	458	
Prisoner Hygiene	1,350	1,205	145
Routine Medical	55,303	55,303	
Routine Medical-Juveniles	850	223	627
Staff Uniforms	2,650	2,280	370
Association Dues	450	450	
Staff Training	56		56
Telephone	5,328	5,328	

BOURBON COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1999
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>JAIL FUND (Continued)</u>			
<u>Protection to Persons and Property (Continued)</u>			
Office of Jailer (Continued):			
Housing Prisoners-Other Counties	\$ 92,500	\$ 91,823	\$ 677
Reimbursement-Circuit Bonds	1,262	1,262	
Vehicle Maintenance	106	71	35
Insurance	15,098	15,098	
Miscellaneous Operating Expense	706	378	328
Maintenance-			
Agreement	1,600	1,033	567
Building Repair	7,512	7,396	116
Equipment-			
Repair	16,700	16,148	552
<u>Debt Service</u>			
Jail Capital Lease Obligations:			
Interest	129,835	129,716	119
Debt Reserve	621,807		621,807
<u>Administration</u>			
Fringe Benefits:			
County Contributions-			
Retirement	28,213	27,040	1,173
Social Security	25,457	24,762	695
Health Insurance	34,800	32,779	2,021
Worker's Compensation	7,080	6,680	400
Unemployment Insurance	850	479	371
Total Operating Budget	\$ 1,555,392	\$ 893,970	\$ 661,422
Other Financing Uses:			
(c) Jail Capital Lease - Principal	85,000	85,000	
Total Jail Fund	\$ 1,640,392	\$ 978,970	\$ 661,422

BOURBON COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1999
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
<u>LOCAL GOVERNMENT ECONOMIC ASSISTANCE FUND</u>			
<u>Roads</u>			
County Fire Department:			
Gasoline	\$ 2,800	\$ 2,104	\$ 696
Materials and Supplies	1,000	624	376
Telephone	3,993	3,848	145
Utilities	7,535	7,535	
Motor Vehicle Repair	3,350	2,963	387
Replacement Equipment	10,500	3,937	6,563
Road Maintenance:			
Resurfacing	37,539	24,400	13,139
<u>Capital Projects</u>			
Streets and Highways:			
Capital Outlay	<u>21,000</u>	<u></u>	<u>21,000</u>
Total Local Government Economic Assistance Fund	<u>\$ 87,717</u>	<u>\$ 45,411</u>	<u>\$ 42,306</u>
<u>FEDERAL GRANT FUND</u>			
<u>Economic Development</u>			
Contracted Services	\$ 13,896	\$	\$ 13,896
Water Extension Project	999,828		999,828
Flood Monies-			
Millersburg	64,145	22,437	41,708
Paris	109,724	109,724	
Community Grant	40,000	40,000	
<u>Capital Projects</u>			
Special Project	<u>587,852</u>	<u>461,000</u>	<u>126,852</u>
Total Federal Grant Fund	<u>\$ 1,815,445</u>	<u>\$ 633,161</u>	<u>\$ 1,182,284</u>

BOURBON COUNTY
 COMPARATIVE SCHEDULE OF
 FINAL BUDGET AND BUDGETED EXPENDITURES
 Fiscal Year Ended June 30, 1999
 (Continued)

	Final Budget	Budgeted Expenditures	Under (Over) Budget
Total Operating Budget-All Funds	\$ 8,266,182	\$ 5,594,521	\$ 2,671,661
Other Financing Uses:			
(a) Transfers to Public Properties			
Corporation Fund-			
Principal	95,000	91,042	3,958
(b) Kentucky Advance Revenue Program-			
Principal	1,052,325	1,052,325	
(c) Jail Capital Lease-Principal	85,000	85,000	
TOTAL BUDGET - ALL FUNDS	<u>\$ 9,498,507</u>	<u>\$ 6,822,888</u>	<u>\$ 2,675,619</u>

THIS PAGE LEFT BLANK INTENTIONALLY

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER
FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS



Edward B. Hatchett, Jr. Auditor of Public Accounts

Honorable Donnie R. Foley, County Judge/Executive
Members of the Bourbon County Fiscal Court

Report On Compliance And On Internal Control Over Financial Reporting Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards

We have audited the financial statements of Bourbon County, Kentucky, as of and for the year ended June 30, 1999, and have issued our report thereon dated November 29, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Bourbon County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Bourbon County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Honorable Donnie R. Foley, County Judge/Executive
Members of the Bourbon County Fiscal Court
Report On Compliance And On Internal Control
Over Financial Reporting Based On An Audit Of
Financial Statements Performed In Accordance With Government Auditing Standards
(Continued)

This report is intended solely for information and use of management and is not intended to be and should not be used by anyone other than the specified party. However, this report, upon release by the Auditor of Public Accounts, is a matter of public record and its distribution is not limited.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ed Hatchett", with a long horizontal flourish extending to the right.

Edward B. Hatchett, Jr.
Auditor of Public Accounts

Audit fieldwork completed -
November 29, 1999

REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133



Edward B. Hatchett, Jr. Auditor of Public Accounts

Honorable Donnie R. Foley, County Judge/Executive
Members of the Bourbon County Fiscal Court

Report On Compliance With Requirements Applicable To Each Major Program And Internal Control Over Compliance In Accordance With OMB Circular A-133

Compliance

We have audited the compliance of Bourbon County, Kentucky, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 1999. Bourbon County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned cost. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Bourbon County's management. Our responsibility is to express an opinion on Bourbon County's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Bourbon County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Bourbon County's compliance with those requirements.

In our opinion, Bourbon County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1999.

Internal Control Over Compliance

The management of Bourbon County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Bourbon County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Honorable Donnie R. Foley, County Judge/Executive
Members of the Bourbon County Fiscal Court
Report On Compliance With Requirements Applicable To Each Major Program
And Internal Control Over Compliance In Accordance With OMB Circular A-133
(Continued)

Internal Control Over Compliance (Continued)

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than the specified parties. However, this report, upon release by the Auditor of Public Accounts, is a matter of public record and its distribution is not limited.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ed Hatchett", with a long horizontal flourish extending to the right.

Edward B. Hatchett, Jr.
Auditor of Public Accounts

Audit fieldwork completed –
November 29, 1999

FINDINGS AND QUESTIONED COSTS

BOURBON COUNTY
FINDINGS AND QUESTIONED COSTS

Fiscal Year Ended June 30, 1999

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of Bourbon County.
2. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditor's Report.
3. No instances of noncompliance material to the financial statements of Bourbon County were disclosed during the audit.
4. No reportable conditions relating to the audit of the major federal awards programs are reported in the Independent Auditor's Report.
5. The auditor's report on compliance for the audit of the major federal award programs for Bourbon County expresses an unqualified opinion.
6. There are no audit findings relative to the major federal awards programs for Bourbon County reported in Part C of this schedule.
7. The program tested as a major program was: Disaster Recovery Initiative Program CFDA #14.228.
8. The threshold for distinguishing Type A and B programs was \$300,000.
9. Bourbon County was not determined to be a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

NONCOMPLIANCES

The County Should Have A Written Agreement To Protect Deposits

The county maintained deposits of public funds with depository institutions insured by the Federal Deposit Insurance Corporation (FDIC). According to KRS 66.480 (1)(d) and KRS 41.240(4), the depository institution should pledge or provide sufficient collateral which, together with FDIC insurance, equals or exceeds the amount of public funds on deposit at all times. As of June 30, 1999, the county had bank deposits of \$955,441; FDIC insurance of \$400,000; and collateral pledged or provided of \$5,271,282. Even though the county obtained sufficient collateral of \$5,271,282, there was no written agreement between the county and the depository institution, signed by both parties, securing the county's interest in the collateral. We recommend the county enter into a written agreement with the depository institution to secure the county's interest in the collateral pledged or provided by the depository institution. According to federal law, 12 U.S.C.A. § 1823 (e), this agreement should be (a) in writing, (b) approved by the board of directors of the depository institution or its loan committee, which approval must be reflected in the minutes of the board or committee, and (c) an official record of the depository institution.

Management's Response:

The county will secure collateral security agreements provided by the auditor's office for all financial institutions used by the county. We realize we were pledged but lacked two of the agreement forms.

BOURBON COUNTY
FINDINGS AND QUESTIONED COSTS
Fiscal Year Ended June 30, 1999
(Continued)

PRIOR YEAR FINDINGS

The County Should Have a Written Agreement To Protect Deposits.

C. FINDINGS AND QUESTIONED COSTS—MAJOR FEDERAL AWARDS PROGRAM
AUDIT

There were no findings or questioned costs in relation to the major federal awards program.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

BOURBON COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Fiscal Year Ended June 30, 1999

Federal Grantor Program Title <u>Grant Name (CFDA #)</u>	<u>Pass-Through Grantor's Number</u>	<u>Expenditures</u>
<u>Cash Programs</u>		
<u>U.S. Department of Housing and Urban Development</u>		
Direct Program:		
Disaster Recovery Initiative Program (CFDA #14.218)	B97NU210002	\$ 461,000
Passed-Through State Department of Local Government:		
Disaster Recovery Initiative Program (CFDA #14.228)	B97DC20001(063)	172,161
<u>U.S. Department of Justice</u>		
Passed-Through State Justice Cabinet:		
Violence Against Women Act (CFDA #16.588)	5681-VA2-1/97	34,141
<u>U.S. Federal Emergency Management Agency</u>		
Passed-Through State Department of Military Affairs:		
Disaster and Emergency Assistance Grants- Coordinator Salary (CFDA #83.503)		6,536
Total Cash Expenditures of Federal Awards		\$ 673,838

See Notes to the Schedule of Expenditures of Federal Awards

BOURBON COUNTY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Fiscal Year Ended June 30, 1999

Note 1 - Basis of Presentation

This schedule is presented on a cash basis.

Note 2 - As required by this grant agreement, all program moneys received by the recipient after the completion of all recipient grant activities shall be used by the recipient for community or economic development activities eligible for assistance under Title I of the Housing and Community Development Act of 1974, so specified in the Commonwealth of Kentucky's Community Development Block Grant Eligible Activities Policy Statement.

**CERTIFICATION OF COMPLIANCE – LOCAL
GOVERNMENT ECONOMIC ASSISTANCE AND DEVELOPMENT PROGRAMS**

BOURBON COUNTY FISCAL COURT

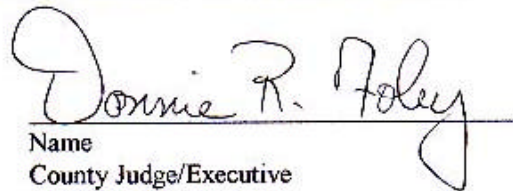
Fiscal Year Ended June 30, 1999

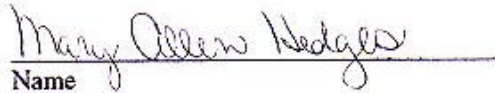
CERTIFICATION OF COMPLIANCE

LOCAL GOVERNMENT ECONOMIC ASSISTANCE AND DEVELOPMENT PROGRAMS

BOURBON COUNTY FISCAL COURT

The Bourbon County Fiscal Court hereby certifies that assistance received from the Local Government Economic Development Program and Local Government Economic Assistance Program was expended for the purpose intended as dictated by the applicable Kentucky Revised Statutes.


Name
County Judge/Executive


Name
County Treasurer